

# **UNIFORM STATE REPORT/ANNUAL REPORT**

## **INTRODUCTION**

The purpose of the uniform state report is to provide a detailed summary of information for all operations conducted by the legal entity required to file in accordance with Tennessee Code Annotated 45-17-119 of the **Deferred Presentment Services Act**, or imposed by the regulating authority administering the Act.

The reporting entity must follow all instructions explicitly. If a company or affiliate operates more than one licensed office, the report must be filed on a composite basis. When preparing the report, do not underline or change captions. Report all amounts in even dollars. Where insufficient space is provided to set forth the facts adequately, annex a schedule giving the details.

The following schedule letters, captions and item numbers correspond with those shown in the report.

## **REPORTING ENTITY**

### **SCHEDULE A**

#### **Regulated Cash Advance Business Profit Percentages**

This schedule summarizes operation results by computing three (3) basic elements of concern from the factual information contained within the report. They are **rate of return**, **analysis of charges on cash advances** and **analysis of expense per account**.

#### **Rate of Return**

- (1) Receivables Outstanding - Per Schedule C, Item 4.
- (2) Net Income - Per schedule B, Item 25.
- (3) Rate of Return - Item 2 divided by item 1.

#### **Analysis of charges on Cash Advances**

- (4) Charges Collected and/or Earned - Per Schedule B, Item 1
- (5) Average Monthly Rate Collected - Computed by dividing Item 4 by Item 1 and the result divided by twelve (12). In cases where the reporting entity has not been in operation for a full twelve (12) months, the result shall be divided by the actual number in operation.

## Analysis of Expense Per Account

- (6) Number of Accounts Outstanding - Per Schedule D, Item 7.
- (7) Total Expenses - Per Schedule B, Item 24.
- (8) Average Monthly Expense Per Account - Computed by dividing Item 7 by Item 6 and the result divided by twelve (12). In the case where a licensee has not been in operation for a full twelve (12) months, the result must be divided by the actual number in operation.

## **SCHEDULE B**

### Statement of Income and Expenses

The purpose of this schedule is to show all income derived or produced by the reporting entity during the period covered by the report.

- (1) Cash Advance Fees Collected and/or Earned - This account must report total cash advance fees charged pursuant to Tennessee Code Annotated § 45-17-112(b)(1)(2). If the reporting entity's books are kept on a cash basis, this item will show the actual charges collected. If the accrual basis, this item will show the charges earned.
- (2) Handling Charge - This account must report total handling charges due to insufficient funds, closed account or stop payment order pursuant to Tennessee Code Annotated §§ 45-17-112(I) and 47-29-102.
- (3) Total Operating Income - The sum of Items 1 and 2.
- (4) Advertising - This account must show the amount incurred by the reporting entity during the year for promoting or retaining the business of the reporting entity. Show only the amount for purchases of advertising supplies or outside services.
- (5) Auditing - This account must show the amount incurred by the reporting entity during the year for accounting and auditing services.
- (6) Bad Debts - This account must show the reporting entity's bad debts actually written off or accrued during the year.
  - (a) Charge-Offs - This line must show the bad debt expense for reporting entities using a direct charge-off method.
  - (b) Deduct: Collections on Accounts Previously Charged-Off - This account must show the total of amounts (principal and other fees) received by the licensee during the year which were previously written off as a bad debt.
  - (c) Additions to Reserve for Bad Debts - This account must show the addition to reserve for reporting entities using the reserve method.
- (7) Depreciation and Amortization - This account must show the amount of depreciation expense for fixed assets and other depreciable assets, such as debt expenses, organization expense, etc.
- (8) Insurance & Fidelity Bonds - This account must show the amount expended by the reporting entity during the year for all insurance and bonding employees.

- (9) Legal Fees & Disbursements - This account must show the amount expended by the reporting entity during the year for the legal fees and disbursements related to the activities of outside counsel. Do not include recording and notary fees.
- (10) Postage, Printing, Stationery and Supplies - Self-explanatory.
- (11) Rent, Janitorial Services and Utilities - This account must show the total amount paid by the reporting entity during the year for the rental of buildings, office equipment, etc., janitorial services and utilities, including heat, light, water, sewer, etc. Expenses for janitorial services must be included here if they are not performed by an employee. If they are performed by an employee, include in Item 13.
- (12) Salaries of Officers, Owners and Partners - This item must include all salaries, bonuses, pensions paid during the year.
- (13) Salaries of All Other Employees - This item must include all salaries, bonuses, wages, pensions paid during the year.
- (14) Taxes Other Than on Income - This item must include all property taxes, and any other taxes which are not shown separately.
- (15) Licensee Fees - This account must show the amount incurred by the licensee during the year for license fees paid to city, county, state and federal governments.
- (16) Telephone/Fax - Self-Explanatory
- (17) Travel, Auto Expense and Allowance - This account must show the amount incurred by the licensee during the year for business travel and travel related activities. The amount must include but is not limited to either direct payment or employee reimbursements of air, taxi, bus, train, auto rental and leasing fees; lodging and meals, travel insurance; use of employee vehicles and gasoline, registration and other fees, insurance and repairs associated with the vehicles owned by the reporting entity.
- (18) Supervision and Administration - This account must show the total amount of the expenses of an affiliated company during the year directly assigned and/or allocated to the reporting when not allocated to other items.
- (19) Other Expenses - This account must list all other expenses incurred by the reporting entity not otherwise shown.
- (20) Interest Paid on Borrowed Funds - Represents total interest expense on all debt obligations during the year.
- (21) Total Expenses Before Income Taxes - Sum of Items 4 through 20.
- (22) Income Before Income Taxes - Item 3 less Item 21.
- (23) Income Taxes - This item must show the amount of state and federal income taxes paid or accrued for the year.
- (24) Total Expenses - Item 21 plus Item 23.
- (25) Net Income - Item 3 less Item 24.
- (26) Net Income as a Percent of Receivables - Item 25, Schedule B divided by Item 4, Schedule C.

## **SCHEDULE C**

### **Balance Sheet**

The purpose of this schedule is to show the financial position of the reporting entity for the period covered by this report.

- (1) Cash - This account must include all business cash on hand.
- (2) Cash in Bank - This account must include all cash deposits in banks, ie. checking accounts, savings accounts, certificates of deposits, etc.
- (3) Other Cash - This account must include cash maintained in other institutions, ie., credit unions, savings & loan, etc.
- (4) Accounts Receivable - This account must reflect the balance due from customers.
- (5) Securities - This account must report the amount of investments in securities, such as stocks, bonds and notes receivable.
- (6) Government Obligations - This account must show the amount of investments in federal, state and municipal bonds and other government securities.
- (7) Life Insurance on Officers, Stockholders, Business Owners - This account must report the cash surrender value of life insurance policies carried by the reporting entity.
- (8) Prepaid Expenses - This account must show the payment of expenses in advance.
- (9) Total Current Assets - The sum of Item 1 through Item 8.
- (10) Furniture, Fixtures & Equipment - This account must report the cost of tangible assets, such as furniture, computers, office equipment, signs and other fixtures less accumulated depreciation used in the business by the reporting entity.
- (11) Buildings - This account must show the cost of the building(s) less accumulated depreciation owned by the reporting entity.
- (12) Land - This account must show the value of the land owned by the reporting entity.
- (13) Leasehold Improvement - This account must show the cost of improvements to leased property, such as buildings, walkways, landscaping, etc., less accumulated depreciation.
- (14) Total Fixed Assets - The sum of Items 10 through Items 13.
- (15) Other Assets - This account must show the value of other assets owned by the reporting entity.
- (16) Total of Other Assets - The total of other assets owned by the reporting entity.
- (17) Total Assets - The sum of Items 9, 14 and 16.
- (18) Accounts Payable - This account must report the balance due to creditors on current accounts.
- (19) Accrued Payroll Costs - This account must report the amount of wages, salaries or other compensation due to employee(s) of the reporting entity.
- (20) Rent Payable - This account must report the rent or lease payments due in the current fiscal year.
- (21) Taxes Payable - This account must report the amount of all federal, state and city/county taxes due in the current fiscal year.
- (22) Mortgages, Bonds, Notes Payable - This account must report the current maturities, payable in less than 12 months, on long-term liabilities.
- (23) Other Current Liabilities - Self-explanatory.

- (24) Total Current Liabilities - Sum of Item 18 through Item 23.
- (25) Mortgage, Bonds, Notes Payable - This account must report the amount of long-term obligations, payable in 12 months or more.
- (26) Other Long-Term Liabilities - This account must include other long-term liabilities, such as deferred taxes and other obligations that will not be paid out of current assets.
- (27) Total Long-Term Liabilities - The sum of Items 25 and 26.
- (28) Total Liabilities - The sum of Item 24 and Item 27.
- (29) Capital - This account must report the amount of capital of the proprietorship, partnership, and corporation. If a corporation, this account must also report the total number of common and preferred shares issued and outstanding, as well as the total par value.
- (30) Paid-in Surplus - If a corporation, this account must report the total amount received by the corporation in excess of the par value of the preferred and common stock outstanding.
- (31) Total Contributed Capital - The sum of Items 29 and 30.
- (32) (a) Retained Earnings - This account must show the reporting entity's accumulated earnings as of July 1, 2005.
  - (b) Net Income
  - (c) Deduct Distributions - This account must report the amount of distributions to the proprietor, partners, LLC members, stockholders, etc.
  - (d) Balance - The sum of items (a) and (b) less (c)
- (33) Total Net Worth - Net worth represents the residual financial interests in a business. It is the difference between total assets and total liabilities. For a sole proprietorship, it is called proprietorship equity; for a partnership, partners' equity; and for a corporation, stockholders equity.
- (34) Total Liabilities and Net Worth - The sum of Item 28 and 33.

## **SCHEDULE D**

### **Analysis of Regulated Business Activity**

- (1) Accounts Outstanding at Beginning of Year - This item must report the total number of checks on hand as of July 1, 2005, as well as the total face value of the checks.
- (2) Number of Transactions Made During the Year - This item must show the total number of transactions made after July 1, 2005, as well as the total face amount of all checks received by the reporting entity during the year.
- (3) Account Balances Purchased During the Year - This item must show the total number of checks acquired from other entities after July 1, 2005, as well as the total face amount of the checks.
- (4) Total - Sum of Items 1 through 3.
- (5) Account Balances Charged-Off During the Year - This item must report the total number and total face amount of all checks written-off during the year.
- (6) Account Balances Sold During the Year - This item must show the number of checks sold during the year, as well as the total face amount of the checks.
- (7) Accounts Outstanding at End of Year - Must agree with accounts receivable per Schedule C, Item 4.
- (8) Total - Sum of Items 5 through 7.
- (9) Collections During the Year - Item 4 less Item 8.
- (10) Number of Returned Checks due to Insufficient Funds, Closed Account or Stop Payment Order/Handling Charges Collected - This item must show the total number of checks returned due to insufficient funds (NSF), closed account or stop payment order for the period July 1, 2005 through June 30, 2006, as well as the total amount of handling charges collected pursuant to Tennessee Code Annotated §§ 45-17-112(I) and 47-29-102.
- (11) Distribution of Transactions - Report the total number of checks received during the year in each category.

## **AFFIDAVIT**

The affidavit must be executed, if a corporation, by a duly authorized officer of such corporation, or by a partner, if a partnership, or by the owner, or by an individual. In the case of illness or inability of such person to sign the affidavit, it may be executed in such case by a legal representative or agent. The affidavit should be made before a Notary Public or other person authorized to administer oaths.